

SB 255 -- CONSUMER-OWNED ELECTRIC CORPORATIONS

SPONSOR: Kinder (Engler)

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Communications, Energy, and Technology by a vote of 21 to 0.

This bill prohibits the Public Service Commission from regulating the rates and financing of consumer-owned electric corporations that are required to operate on a not-for-profit cooperative basis and, as of August 28, 2003, hold a certificate of public convenience and necessity to serve a majority of their consumer-owners in third classification counties.

FISCAL NOTE: No impact on state funds.

PROPOSERS: Supporters say that because of accidents of history, Citizens Electric Corporation is the only member-owned, not-for-profit electric utility with rates regulated both by a member board and the Public Service Commission. Dual regulation increases costs that must be passed on to consumers. The bill will result in the corporation being regulated like all other electric cooperatives.

Testifying for the bill was Senator Kinder.

OPPOSERS: There was no opposition voiced to the committee.

Terry Finger, Senior Legislative Analyst